

the notion that you could buy computer services outside of your company; you did not have to own the hardware and you did not have to have the programmers, the technicians; you could do it—all because I got a start from my Government.

My father during the Depression years was humiliated by the fact that he had to work under a WPA program. It was a very unpleasant experience. But my father knew even more than his dignity, he had to have a week's pay and he had to put some food on the table, and he had to maintain the respectability that he had as head of the household. So he took a Government program job. It was not long, but it was necessary.

So here we have education, employment. If only my father had health insurance during the year of his sickness when my mother worked behind the counter of a luncheonette so she could pay doctor bills and administer to him at the same time.

So here we have a picture of America, Mr. President. What kind of a country are we? Is our mission primarily to cut taxes for the wealthy or is our mission here to build citizenry in the proudest way possible, to make patriots out of people because they love their country, because their country does something for them? And if it takes us a couple of years more to eliminate a budget deficit, so it shall be. Because the price of not doing it could be detrimental to our country for decades to come.

We go to the 21st century with the heaviest competition that this country has ever seen, whether it is from the European Union, 350 million people strong, or from the Pacific rim where energy is just boiling and people want to take our markets and take our products and take our opportunity. We can avoid being in that competition very clearly by not educating our people, by not training them, by not penetrating those markets, by eliminating Government's assistance in helping to get to those markets. We can do those things. In this case, a penny saved is liable to be a dollar lost.

So we have to do this with some sense of compassion, with some sense of mission about what our democracy is like.

And yet, in this budget, we are going to take away the earned-income tax credit for modest families. We are going to make students pay more to get their loans. And we are going to cut Medicare benefits.

But we are going to take care of our friends who are in the high side of the income strata. We are going to make sure that they get their tax cut. I think it is ridiculous.

The people who are looking at this placard have to ask themselves the question: Whose side are you on? Where are we going to go? Are we going to be a Government that provides energy and seed money and encouragement for people to develop, or are we going to

say, no, no, no, you have to live without these things and if the child does not have sufficient nutrition, so be it. And if the child does not have an education and goes to prison, we will build enough prisons. But will we build enough pride in our citizenry? That is the question.

So we are here with a conference report today that says we are going to give out 245 billion dollars' worth of tax cuts, but we are going to take \$270 billion out of Medicare and \$182 billion out of Medicaid.

Medicaid. My goodness, I live in a State that has the second- or third-highest per capita income in the country, New Jersey, but we also have the paradox of some of America's poorest cities in our midst. And those cities and other urban areas, where incomes are not high, very often are totally dependent on Medicaid to carry the hospitals that will serve the needs of children. But we are going to say we are going to cut that because we are saving money. Yes, we are saving over here. We are going to give some to those rich guys over there, but we are saving money. And so those children will not get treated. And what kind of respect will they have for themselves, their families or their country if they have not enough to eat and not enough health care? Not much, I can tell you. They will find other ways to satisfy their basic needs.

(Ms. SNOWE assumed the chair.)

Mr. LAUTENBERG. And so, Madam President, the debate will go on and we will have different perspectives, but the one thing that will ring through this debate loudly and clearly in my view is: Whose side are you on? The Democrats believe that people in modest income levels, people in the middle class may need that extra little push to help them move their families along so that they can move up the social and economic ladder. And our friends on the other side will say, no, no, no, we are not going to spend money on those silly programs like child nutrition and day care and those kinds of things. No, we have to give tax cuts to the rich so that they can perhaps let something trickle down for others.

I do not believe that is what America wants. It will be interesting to see how the American public receives this debate.

And with that, Madam President, I am prepared to yield.

Madam President, the next speaker is ordered from the Republican side, and they will allot their time as they see fit.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. I thank the Chair. I yield myself whatever time I may take—I believe 15 minutes or so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABRAHAM. I thank the Chair.

Madam President, last November, voters sent 11 new Members to the Sen-

ate. I believe all of us came to Congress dedicated to keeping the promises we made in our campaigns, and specifically we promised to end business as usual and to replace the old equation here in Washington of higher taxes and more Government with smaller Government and the goal of letting people keep more of what they earn.

Central to our campaign was a commitment to end 25 years of deficit spending here in the Congress.

Today, the Senate is debating a budget resolution which delivers on those promises. First and foremost, this resolution balances the Federal budget over the next 7 years. It does so by slowing the growth of Federal spending from 5 percent a year to 3 percent a year. In dollars, that means Federal spending will continue to grow from \$1.6 trillion next year to \$1.9 trillion in the year 2002.

Now some, of course, have argued that we moved too fast. But the facts are quite simple. If we do not take action now, America will face an economic crisis far greater than any this Nation has ever confronted before. Here is why.

If Washington keeps spending money the way it has for the last quarter of a century, the Medicare trust fund will go bankrupt in 7 years. In 15 years spending on entitlements and interest payments on the national debt alone will equal all tax revenues. That means not \$1 for national defense, law enforcement, education, job training, veterans programs and so on, unless we run up even higher deficits in the future, deficits at levels we have never previously contemplated.

Most importantly, unless the actions we begin in Congress are enacted and signed by the President, a child born this year, 1995, would during their lifetime pay \$187,000 in Federal taxes, not in total, but just to cover their share of interest on the national debt that already exists and will accumulate during their lifetimes.

By adopting this budget we can avoid fiscal disaster and begin the process of removing the mountain of debt from the backs of our children. Moreover, balancing the budget also sets the stage for an era of lower interest rates, accompanied by expanded job creation and a higher standard of living. Balancing the budget will result in significantly lower interest rates, which means that the average homeowner can save up to \$500 per month on their mortgage. In addition, the GAO reports that balancing the budget could produce real income growth of up to 36 percent by the year 2020. For families and children then, balancing the budget means more than just reducing public debt, it means keeping a roof over their heads, putting food on their table, going to better schools and financing retirement. It means a brighter future.

How do we get there? We get to a balanced budget by setting priorities and making tough decisions. We get to a